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->From the Editor's Keyboard "Saying it like it is!"  
"\*\*\*\*\*"

It's apparent that the antispam movement is starting to make headway, as suggested in an article we've included this week. The e-mail marketing industry (the spammers) are making attempts to fight back. It's hilarious. Their strategy is to prove that the antispam movement is interfering with their business. They claim that the movement is trying to have numerous online networks remove the marketers from their services. They go on to claim that the antispam movement is preventing the marketers' message from getting to the American people! And, that they're doing so for their own financial gain.

Talk about smoke and mirrors! E-mail marketers, aka SPAMMERS, will come up with just about anything to retain their ability to send unsolicited junk via the internet and e-mail. Well, people are sick of this stuff. I fully support the antispam movement; I've made that quite clear in the past, along with my other "marketing" pet peeves! I'm enjoying being able to watch the spammers start to feel the heat. The antispam campaign may just take hold and be achieved. Chalk one up for the home team for a change!

Well, seasonal events in these parts - such as the Boston Marathon, Patriots Day, and the Red Sox playing at Fenway prove that we're in Spring, but the weather still isn't reflecting it! Maybe we'll go right from winter to summer, as has been typical the past few years. I don't know about you, but I really enjoy the gradual move between seasons! I'm getting too old (shaddup Joe!) for these radical temperature fluctuations. Oh well, there's always next week!

Until next time...

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PEOPLE ARE TALKING  
compiled by Joe Mirando  
joe@atarinews.org

Hidi ho friends and neighbors. This week has been another hectic one for me, and I'm assuming that I'm not alone in that.

It seems that, no matter whether the economy is good or bad, fast or sluggish, those of us who actually do the work are asked to go at an ever-increasing rate of speed.

Now, I'm not looking to start one of those "class struggle" kinds of arguments here. All I'm saying is that most of us are having to work harder for less of just about everything... less money (after taxes, anyway), less free time, even less legal rights in the workplace.

You've probably heard me say it before, but they figure that prehistoric man spent about 20 hours a week to hunt and/or gather everything he needed to support his family for the week. True, he didn't have cable bills and tuition to think about, but the bottom line is that he could give them everything necessary to compete with only 20 hours of work.

Today, a lot of us put in more than the benchmark 40 hours per week. Some of us put in a lot more. It was those of us for whom money isn't simply a "given" that Atari computers were so special.

Sure, there was the Timex-Sinclair ZX81 and the TI99-4A, and even the Coleco ADAM, but Atari's computers were special... they had something that I'd never seen in a computer before... they had personality.

Here was a machine that I was happy to spend some money on. It 'felt' right. Know what I mean? And even after all these years I've never been able to put my finger on exactly what caused that feeling. Truth be told, I stopped trying to figure it out years ago. I came to the conclusion that it really didn't matter, and I've been content with that ever since.

It's funny, but even upgrades like Multi-TOS, MiNT and MagiC weren't going to catch my interest much. NeoDesk and Geneva were, in my opinion, the epitome of Atari computing, and whenever I think about my ideal computer environment, that's what I picture.

Does that mean that I think that EVERYONE should be using it? Hell no. First of all, Dan couldn't handle having all that money. <grin> Second, it worked for me because of the way I did things. I know several people who simply didn't care for NeoDesk/Geneva. And that's... okay. We don't all need to be the same, we just need to understand that 'different' doesn't mean 'wrong'. And, no, I'm not just talking about computing.

Now let's get to the news and stuff from the UseNet.

From the comp.sys.atari.st newsgroup  
=====

'Tim' asks about hard drive booting:

"Which ST's and or TOS Rev's will support autobooting of HD's? I have TOS 1.04."

Bob Brodie tells Tim:

"All of versions of TOS support autobooting of the hard disk, however, you need to have the hard disk driver in order for the drive to autoboot.

The ST was not designed to recognize the HD without the driver."

Tim tries to get it straight in his head:

"So no autobooting straight from the HD? A boot floppy is needed!?!?"

Peter West tells Tim:

"No, only the first time you use the driver software. This installs the driver on the boot partition of the hard drive. You then need to install the icons for the drives manually with the TOS desktop - others like Thing and jinnee have an 'Install drives' or 'Mount devices' menu function to do this. Don't forget to save the desktop or configuration, so that the drive icons will be there next time you boot.

Note that you should keep a copy of the driver software handy on a floppy, just in case the boot sector gets corrupted."

Tim now asks:

"So what HD software do you recommend? I will be using ICD's The Link 1 and a Quantum 810MB SCSI drive."

Greg Goodwin tells Tim:

"Free: AHDI

Not free, but should have been included with your Link: ICD

Not free, but very powerful and worth purchasing:  
HD Driver

Note that you will have a 512Mb partition limit if you use normal TOS.

Thus, your drive will require at least two partitions."

Tim asks:

"Ok thats cool. So what kind of partitions will allow 512MB? I have TOS 1.04."

Dr. Uwe Seimet, author of HD Driver, tells Tim:

"With TOS 1.04 the maximum partition size is 256 MB. For 512 MB per partition TOS 2.0x is required. YOU do not have to take care of the partition type. The software used for partitioning the drive will handle this automatically."

Beau Schutz asks about converting song files:

"Does anyone know how to convert old existing .son (song) files that I presently have on my ancient atari to something that I can view and edit on my PC? I would greatly appreciate any help, information or guidance that anyone might be able to provide in this area as I have a substantial number of old .son files which i need to get onto my pc."

Kenneth Medin asks:

"A .SON file from what application?

Note that file extensions themselves mostly does not tell what sort of file you really have neither on Atari nor in Windows. We all know a .DOC file is a Wordplus file don't we..."

"If these are Notator SL files, you could send the files to someone who still uses Notator, (I do) and have them converted to midi files. How many is a substantial number? I may be able to convert them for you, depending on the time involved."

```
"<I think this is what you want>
Download latest version of Creator or Notator for Atari (go to notator.org
for info)
Open the *.son file using the above on your Atari.
Save As *.mid file. You may have to do some fiddling with your *.mid file
on your PC."
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Tune in again next week, same time, same station, and be ready to listen to what they are saying when...

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The Tokyo company, which reported its full year earnings Thursday, said shipments of PlayStation 2 consoles in its fiscal year 2002, ending March 2003, totaled 22.5 million units. That's up a quarter from the year before. Shipments of PlayStation and PSOne consoles totaled 6.8 million, which

represents a decline of 8 percent from the year earlier.

For the current fiscal year beginning in April, Sony said it expects to see PlayStation 2 shipments fall by about 12 percent to 20 million units while PlayStation/PSOne shipments will drop more than 60 percent to 2.5 million. The prediction would put total shipments at below the levels recorded in fiscal years 2002 and 2001.

The company's next generation console, the PlayStation 3, is not expected on the market until at least 2004, if not later. Sony has not commented on when it is likely to be released but disclosed plans earlier this week to build semiconductor plants, along with Toshiba, to produce the Cell microprocessor that is expected to lie at the heart of the machine.

The two companies, which are jointly developing the chip with SCEI and IBM, are spreading their investments in the new factories over the next three or four years. Toshiba said it does not expect to begin mass production of chips until the latter part of fiscal year 2004, which is the period from October 2004 to March 2005.

Shipments of the PlayStation 2 are already falling in Japan, down 38 percent on the year, according to Sony's figures. In contrast, shipments in the U.S. and European markets rose 53 percent and 40 percent respectively. PlayStation/PSOne unit shipments rose in Japan and the U.S., by 20 percent and 13 percent respectively, and dropped 30 percent in Europe.

In the software market, Sony said shipments of PlayStation 2 titles jumped 56 percent to reach 190 million in fiscal year 2002 while those of PlayStation titles dropped by about a third to 61 million. For the current year Sony predicts total software shipments will hit 250 million units which represents a decline of 1 million units from fiscal year 2002.

PlayStation 2 software unit shipments rose in all geographic regions, up 25 percent in Japan, up 64 percent in the U.S., and up 70 percent in Europe, and PlayStation/PSOne software unit shipments fell in all regions, down 50 percent in Japan, 14 percent in the U.S., and 42 percent in Europe. A decrease in the number of in-house titles meant that, in monetary terms, Sony saw a decline in revenue from PlayStation 2 shipments despite the unit shipment gains.

Cuts in the price of the console, the result of an ongoing battle with Microsoft's Xbox, hit revenues from sales.

### Virtual McQueen Replays 'Great Escape'

Steve McQueen was talented, smart, good-looking and known for playing characters who were tough but never cruel. Now it is within everyone's reach to be that icon of cool, at least for the 40 hours or so it takes to play "The Great Escape."

Based on its critically acclaimed 1963 MGM movie namesake, the Gotham Games video game licensed McQueen's name, likeness and voice characteristics, making it possible for gamers to be McQueen as his character, Captain Virgil Hiltz ("The Cooler King"), and his fellow prisoners of war break free from the notorious Stalag Luft III prison camp and battle Nazis throughout World War II-era Germany.

Gamers can choose to be one of three other characters besides McQueen. And yes, the game includes the famous motorcycle chase scene: Players can try their luck at leaping the barbed wire fence into Switzerland and to freedom.

In addition to MGM's and Gotham's involvement, "The Great Escape" is published by SCi Games Ltd. and developed by Pivotal Games Ltd. The game will be available for PlayStation 2, Xbox and PC.

"We think this will appeal to classic movie fans, Steve McQueen fans and video game fans," said Leslie Golden, licensing manager at the Roger Richman Agency, which represented the McQueen estate. "It has the nostalgic look and feel of Steve McQueen brought up a notch."

Although the movie-based game has been in the works for many months, the estate was cautious about authorizing the late actor's likeness. It retained approval throughout the process. "We had to make sure it's as accurate as possible," Golden said. "We had opinions and suggestions because we like to capture the essence closely."

She said the project was attractive to the gaming companies because the older demographic of McQueen and "The Great Escape" fans would extend the game's target audience.

From the McQueen point of view, "They've truly captured the essence of Steve," Golden said. "That builds interest and value in the brand. It also brings a new audience into the movie and brings the brand awareness into a whole new arena."

Nor can the royalties from the game be dismissed. "The revenues that you see from the video game industry are so high right now," she said.

MGM's "The Great Escape" was based on the true story of an Allied escape attempt from German POW camp Stalag Luft III in March, 1944. The movie was directed by John Sturges and featured an ensemble cast that starred McQueen alongside James Garner, Richard Attenborough, Charles Bronson and James Coburn.

The game re-creates many of the film's settings, including a mountaintop fortified castle, a fortress, a hospital, a moving train and an active Luftwaffe airfield as well as the German POW camp. As in the movie, periods of stealth activities are interspersed with frantic and dramatic action.

#### 'Mortal Kombat' Ad Attacked for Violent Imagery

Advertising for a video game that featured a hooded youth wiping his bloodied hand on the shoulder of a middle-aged businessman with the logo "It's in us all" has been judged to be offensive in Britain.

Britain's Advertising Standards Authority (ASA) has ruled a poster for "Mortal Kombat: Deadly Alliance" was irresponsible because it could be seen by children, even though the game itself is rated 18.

Software developer Midway Games said the game was not aimed at children.

"The poster in question was created in conjunction with a TV advertising campaign, which hints at the player's competitive nature and what they are

thinking while playing. It does not portray a crime or violent act," Midway's European Marketing Director David Burton told Reuters on Wednesday.

"It is regrettable if anyone was offended by the poster, this was not intentional."

The ASA ruled that Midway games must consult with an industry advice body before advertising in Britain again.

More than one million "Mortal Kombat: Deadly Alliance" games have been sold worldwide since its November 2002 launch, according to U.S.-based Midway.

"Beat 'Em Up" video games have long been slated by critics who believe they encourage violent behavior in impressionable youngsters.

### Edgy Games Drive Adults To Play More

For a year and a half, Take-Two Interactive Software Inc. has ruled the video game sales charts with its violent and gritty "Grand Theft Auto" franchise.

Rivals have been slow to follow Take-Two's path in the mature-rated video game sector, but competition is coming.

Meanwhile, Take-Two is adding more weapons to its arsenal, says Chief Executive Jeffrey Lapin.

"I get this question all the time: 'How do we keep it up? How do we keep it going?' I think you just have to look at our track record," he said.

Take-Two's "Grand Theft Auto 3," released in October 2001 and "Grand Theft Auto: Vice City," released in October 2002, have been megahits. The two titles, both produced by the company's Rockstar Games division, each have sold more than 8 million copies. It has another big hit in "Max Payne," which has sold over 3.5 million copies.

Take-Two's Rockstar unit is working on 10 new games, only two of which have been announced, Lapin says. They are "Manhunt," an action game akin to the movie "The Fugitive," and "The Warriors," a gang drama based on the 1979 movie. "Manhunt" is set for release in October and "The Warriors" and a "Max Payne" sequel are due out in the first half of 2005.

"We don't really announce the Rockstar games until very close to release because we don't want anybody copying us," Lapin said.

Take-Two has tapped into the hottest trend in console gaming, mature-themed crime adventure games. M-rated games are the fastest growing segment in the video game business today. They're meant for players 17 and older because of their adult content.

For instance, the Entertainment Software Rating Board gives "Grand Theft Auto: Vice City" a Mature rating because it includes "blood and gore, strong language, strong sexual content and violence."

Take-Two's success has inspired other game publishers to come out with "me-too products," says James Lin, a securities analyst with Jeffries & Co.



"Within the next 12 to 18 months, you're going to find a wide array of M-rated titles coming into the marketplace."

The single-player crime adventure segment will be the most dominant category, he says. Sony Corp.'s "The Getaway" is leading this new wave of imitators. It was the top-selling console game in February.

Last year, sales of M-rated games rose 37%, Lin says.

Electronic Arts Inc., the largest independent game publisher, is steering away from M-rated games. That's a mistake, says Michael Pachter, an analyst with Wedbush Morgan Securities.

EA has the developer talent and marketing muscle to take on Take-Two, but it's reluctant to do anything that might tarnish its family games brand, Pachter says. He compares EA to the Walt Disney Co., which belatedly entered the R-rated movie business in the late 1980s.

"The one company that could really compete (with Take-Two) is Electronic Arts, and they choose not to," Pachter said. EA Chief Executive Larry Probst has said his company makes "M-light" games compared to Take-Two's "M-dark" games.

EA is best known for popular sports games like "Madden NFL" and mainstream movie tie-ins, such as those featuring superspy James Bond and young wizard Harry Potter.

Meanwhile, Activision Inc. is readying its answer to "Grand Theft Auto" called "True Crime: Streets of L.A.," set for release in September.

One second-tier game publisher looking to get an edge from M-rated fare is Midway Games Inc. "They're the ones that are really going after it hard," Pachter said. Midway is readying three or four M-rated titles, including the prison survival horror game "The Suffering."

Retail sales tracker NPD Fumaroic says about 20 million M-rated console games were sold in 2002. That's 21.5% of all console games. In 2001, 9 million M-rated games were sold. That's about 18% of the total.

About 24% of games sold for Sony's market-leading PlayStation 2 console were M-rated last year. About 19% of games sold for Microsoft Corp.'s Xbox console were mature-rated, NPD says.

"Mature-rated games are truly what's connecting with what mature gamers are seeking, which is immersive, realistic game play," said NPD analyst Richard Ow. Much of this has to do with the fact that video game consoles have expanded into an older age group, he says.

NPD estimates that 78% of mature-rated games are sold to persons 18 and over. The rest are sold to players 17 and under.

Beyond crime adventure games, mature-rated categories include military shooter games, horror survival games and games with some nudity or sexual content. The Entertainment Software Rating Board, an industry self-regulatory body established by the Interactive Digital Software Association, rates games. Ratings include Early Childhood, Everyone, Teen, Mature and Adults Only.

Publishers are mistaken if they think that mature content alone will sell games, analysts say. A good example is Acclaim Entertainment Inc.'s "BMX

XXX," which stirred up controversy last year with its nudity and raunchy humor. Analysts say it failed to sell well because its game play wasn't compelling.

Publishers will continue to test the bounds of what's acceptable content in video games.

"Sometimes you have to take a little risk and push the envelope," Ow said. "And in this case, it worked out great for Take-Two.

"How far publishers are willing to go and how successful (they'll be) is really up to the gamer community, whether they receive it and they like it," he said.

Violence and mature content in "Grand Theft Auto 3" and "Vice City" didn't make those games hits. It was great game play, Pachter says.

"What made 'Grand Theft Auto' great wasn't that you killed everybody. That's really not the point," Pachter says. "The point is that the game is completely free form. When you play most games you're on a tractor pull. You're pulled through the course."

The last two "Grand Theft Auto" games have provided an immersive story with multiple coinciding missions. The next one is due out in 2004. A month later, "Grand Theft Auto 3" and "Vice City" finish exclusive run on Sony's PlayStation 2 and will be available for Microsoft's Xbox and Nintendo's GameCube. "And they will sell, like, a jillion copies," Pachter said.

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A-ONE's Headline News  
The Latest in Computer Technology News  
Compiled by: Dana P. Jacobson

#### Apple Readies New Online Music Service

Apple Computer Inc. is readying to launch an online service that will cut straight to the core of digital music distribution, winning the praise of some record executives who see it is as a weapon against online piracy.

Music executives who have seen Apple's upcoming service said it is simple to use, offers single songs from a deep catalog and - unlike Kazaa and the other pirate services that have picked up where the now-defunct Napster left off - it pays royalties to the troubled record industry.

Apple's new service will feature songs from all five major record labels, link with its iTunes music software and allow for easy downloading to the iPod, Apples popular digital music player, people familiar with the matter said.

The new music service is expected to be unveiled on or around April 28.

"It's exactly the system that should have existed five years ago," said one

record industry executive.

Apple, which has a reputation for iron-clad secrecy before product launches, declined to discuss the service, which is launching at a crucial time for both the company and the troubled music industry that has become its unlikely partner.

Cupertino, California-based Apple has been in talks with Vivendi Universal about possibly acquiring Universal Music, the world's largest record label and home to acts such as Eminem and U2. Apple has made digital entertainment the centerpiece of its strategy to carve out a larger market for its stylish and expensive machines.

Apple last week said it had not made a bid for any music company, but did not deny that talks had been ongoing.

Unlike music-industry services like MusicNet and Pressplay, which are built on subscription models, Apple's service will allow for the sale of individual songs, those who have seen it said. The pricing was not immediately known.

"If Apple can do for the downloadable music sector what the iPod did for portable music, it will be a significant step for the industry," a second music industry executive said.

Hilary Rosen, chairman and chief executives officer of the Recording Industry Association of America (news - web sites), the music trade group, said Apple's fanatical fan base could provide just the shot the music industry needs right now.

"I think what the right company can bring is the right relationship with a consumer, which is what the whole music industry is searching for right now," she told Reuters.

Apple CEO Steve Jobs had previously angered the music industry with his "Rip, Mix, Burn" slogan, which record executives heard as an incitement to online piracy - blamed by the music industry for the decline in album sales over the past two years.

But more recently Jobs has turned on his legendary charm, courting the world's big labels to license their content, said people familiar with the matter.

Jobs succeeded not only in licensing content from all five record giants, including Universal, but in converting critics into fans with a service that many see as the best potential weapon to date against online piracy.

The stakes are relatively small but growing. Last month, Jupiter Research predicted that consumer spending on digital content - including music - would rise to \$2 billion this year from \$1.6 billion in 2002.

Apple's service will only be available to Mac users, who represent less than 3 percent of the global PC market, but at least one music executive also expects the service will be available in a Windows version as well in coming months.

"It's good right now only for the Apple market, because frankly, that's how Jobs was able to persuade everyone to give him licensing deals," one executive said.

Jobs still must convince fans to pay for music they have grown accustomed to getting for free.

At the same time that it readies its online music service, Apple is also expected to announce redesigned iPods with larger capacity.

### AMD Ships Opteron

After nearly a year of hype and development, Advanced Micro Devices has set loose its new 64-bit Opteron processors, designed to attract buyers who seek the power advantages of 64-bit computing but are leery of the costs involved in adopting other 64-bit architectures.

The company surrounded itself with partners at its launch event Tuesday, including software and hardware vendor IBM, Linux makers SuSE Linux AG and Red Hat, and database leader Oracle. Also attending was Microsoft, which said it is on track to complete by the end of this year an Opteron-tailored version of its forthcoming Windows Server 2003 operating system.

IBM offered a major vote of confidence in Opteron Tuesday by announcing it will begin selling in the second half of the year Opteron-based systems in its eServer product line. The company is the first top-tier server vendor to commit to developing around Opteron.

"Today, we're responding to our customers in this space who have been asking us for an IBM solution based on this type of technology," said Mark Shearer, IBM's vice president of eServer systems. "[Opteron] offers compelling performance at a competitive price."

"Industry-standard pricing" was a mantra of AMD executives speaking at the event. Based on the widely supported x86 instruction set, Opteron can run both 64-bit programs and the 32-bit programs prevalent in the industry today. AMD hopes that flexibility will attract customers who have so far avoided more-expensive 64-bit platforms.

While Opteron isn't expected to compete directly with Intel's 64-bit Itanium chips, which are based on a new explicitly parallel instruction computing (EPIC) architecture, AMD nonetheless took some shots at its biggest rival.

"By the end of this year, AMD will sell more AMD 64-bit-based platforms than our competitor has sold since launching its 64-bit platform years ago," said Marty Seyer, general manager and vice president of AMD's microprocessor business unit. "Why will the AMD Opteron processor succeed? Simply put, because we did it right."

AMD executives emphasized the niche Opteron will fill in offering customers a 64-bit system without requiring them to port existing applications.

"It is time for all of us in the technology industry to change our ways. No new technology without real customer benefits should be tackled," said AMD Chief Executive Officer Hector de J. Ruiz. "The cost of change must be minimized. New technology should not introduce new barriers. It should knock them down."

One customer speaking at the launch, Dan Gregoire of JAK Films in Nicasio, California, said Opteron-powered workstations are being used for

development work his company is doing on the forthcoming Star Wars: Episode III movie due in 2005.

"This is a real boon to the effects industry," he said.

Likely early adopters for Opteron include companies in the life sciences and industrial fields, such as pharmaceutical manufacturers, biology researchers, automobile makers, and petroleum firms, said IBM executive Dave Turek, head of the company's newly formed Deep Computing unit. IBM decided to build Opteron servers because of the frequent questions and requests about the technology it was fielding, he said.

"I don't think this will be like a traditional technology introduction, with a slow uptake and migration. I think you'll see a ready-made market that will jump on this pretty aggressively," Turek said.

Three models of the Opteron are available at launch: the Opteron 240, 242, and 244. AMD is using a model-rating system for the Opteron processor that uses three numbers. The first number represents the maximum number of processors that can be used in a system with that chip, and the last two numbers the relative performance of that chip.

AMD started the performance numbering at 40 because it thought customers might correlate the last two numbers with the processor's clock speed, and 4-GHz processors are not on the market yet.

In quantities of 1000 units, the Opteron 240 for two-way servers and workstations costs \$283, the 242 costs \$690, and the 244 costs \$794.

The 800 series for eight-way servers will be available later in the second quarter, and the 100 series for one-way servers will be released in the third quarter, AMD said in a release.

#### Apple Updates the iBook

Apple computer Inc. on Tuesday updated its iBook consumer portable adding a larger hard drive and giving the notebooks a speed boost.

With the latest update the iBook configurations now reach 900MHz for all but the low-end configuration, which clocks in at 800MHz. Three out of the four iBook configurations received a 10GB increase in hard disk space, while the high-end model gets a 20GB increase bringing it up to 60GB.

All other options on the iBook line, including RAM, video cards, optical drives and L2 cache, appear to be the same. Pricing has also remained the same on all but the high-end model, which has been increased by almost US\$30.

More information on the iBook configurations is available from Apple's online store.

#### Consumer Groups Charge Amazon Violates Web Privacy

Consumer groups charged on Tuesday Internet retailer Amazon.com Inc. with

violating a children's privacy law and asked the U.S. government to look into the matter.

The online retailer collected e-mail addresses, birthdays and other personal information from children without their parents' permission and allowed them to post product reviews under their names on the site, the groups charged.

Both actions are illegal under the Children's Online Privacy Protection Act, a 1998 law designed to protect children from online predators by limiting the amount of personal information Web sites can collect from them.

Violators face penalties of up to \$11,000 per count.

An Amazon.com spokesman said the company was not subject to the law as it targeted an adult audience, and it took pains to keep children's personal information off the site.

"We sell products for children to adults with credit cards," said Amazon.com spokesman Bill Curry.

But the Electronic Privacy Information Center, the Consumer Federation of America, and 10 other groups said in a complaint to the Federal Trade Commission that Amazon.com caters to children through toy sales and the use of bright primary colors.

While the site provides a special sign-in page for children under 13 who want to post reviews, that page provided no additional protections, the complaint said. Children were also able to sign in using the adult form, the groups said.

"With this collection of information comes responsibilities, and Amazon.com has not complied with those responsibilities," said Chris Hoofnagle, deputy counsel at EPIC.

Curry said a software glitch, since fixed, was responsible for the flawed sign-in page. Furthermore, the site could not possibly verify the ages of its millions of visitors, he said.

"I'm reminded of the New Yorker cartoon that says, 'On the Internet nobody knows you're a dog.' When we learn of inappropriate things on the site we take them down," Curry said.

An attorney at the FTC acknowledged receipt of the complaint but declined to provide additional detail, as FTC investigations are typically not made public until a settlement has been reached.

"We appreciate EPIC bringing this to our attention and we will carefully review the complaint," said FTC staff attorney Elizabeth Delaney.

The FTC has settled eight cases since the law went into effect three years ago. In February, Hershey Foods Corp. and Mrs. Fields Original Cookies Inc. agreed to pay a total of \$185,000 to settle charges that their Web sites collected personal information without parents' permission.

A trial that pits eBay Inc. against a man who says he owns two patents that are key to the Web auctioneer's operations is due to kick off in Virginia federal court on Wednesday.

Thomas Woolston, a patent lawyer and former CIA technology expert who once helped build the agency's communications network, is alleging that eBay infringed two of his patents covering the process by which people make binding offers secured by a credit card to buy items over the Internet.

He is seeking a permanent injunction and unspecified damages from eBay.

Woolston, who had hoped to build a business trading baseball cards online, submitted the request for his first online auction patent in April 1995, ahead of eBay's September 1995 launch. Woolston's company, MercExchange LLC, now owns his five patents.

Silicon Valley-based eBay, which raised its 2003 revenue target to \$2.05 billion on Tuesday, has refused to settle the case, which was filed in late 2001 in the Eastern District of Virginia.

"We remain very confident in our position and we are very anxious to present our case to a judge and a jury," eBay spokesman Kevin Pursglove told Reuters late on Tuesday.

Nevertheless, eBay said in a quarterly filing in November that the case could prove costly - even if it wins.

Fighting the claims will be expensive and could divert the attention of management, the company said.

"If the plaintiff were to prevail on any of its claims, we might be forced to pay significant damages and licensing fees, modify our business practices or even be enjoined from conducting a significant part of our U.S. business," eBay said in the filing.

Among other things, Woolston is expected to present as evidence an e-mail from June 2000 in which eBay lawyers asked him to give them a presentation. In published reports, Woolston said eBay was interested in buying his patents. For its part, eBay said MercExchange approached it prior to the e-mail and suggested eBay buy the patents.

Woolston may be the underdog in this case, but he is no stranger to the patent enforcement process.

He sued GoTo.com, now Overture Services Inc., for patent infringement and two years ago received a settlement and a license agreement for his technology.

ReturnBuy Inc., formerly a co-defendant in the eBay case, in December settled with MercExchange for an undisclosed sum. Ashburn, Virginia-based ReturnBuy, which sells returned and excess inventory via the Web, is now paying to license Woolston's technology.

#### Court Says Verizon Must Reveal Song Swappers

A U.S. court said on Thursday that Verizon Communications must reveal the

names of customers suspected of downloading copyrighted songs from the Internet without permission even as it appeals the decision to a higher court.

U.S. District Court Judge John Bates said Verizon must reveal the names of the two alleged copyright infringers within two weeks unless the appeals court says otherwise.

Bates originally ordered Verizon to reveal the customers' names in January, but Verizon had argued that their identities should be protected as it pursues an appeal.

The ruling marks another legal victory for the recording industry as it tries to stamp out the unauthorized Internet song-swapping it says is partially responsible for a decline in CD sales.

The Recording Industry Association of America took Verizon to court last summer in an effort to get the telecommunications giant to help crack down on online song-swapping.

The RIAA argued that Verizon is obligated under the 1998 Digital Millennium Copyright Act to help its members to protect their copyrights. Verizon says it is willing to help, but argued that the law only applies to Web pages stored on its computers, not traffic on the "peer-to-peer" networks that merely travel across its wires.

After Bates rejected that argument in January, Verizon said that the law also violates free-speech and due-process rights protected by the U.S. Constitution.

In his written decision, Bates rejected Verizon's constitutional arguments and denied the company's request to keep its customers' identities private.

"Because Verizon is unable to show irreparable harm or that it is likely to succeed on an appeal of its constitutional or statutory challenges, the Court also denies Verizon's request for a stay pending appeal," wrote Bates, who serves in Washington.

RIAA President Cary Sherman, in a statement, welcomed the decision.

"If users of pirate peer-to-peer sites don't want to be identified, they should not break the law by illegally distributing music," Sherman said. "Today's decision makes clear that these individuals cannot rely on their ISPs (Internet service providers) to shield them from accountability."

A Verizon lawyer said the company would ask the Court of Appeals to stay Bates' decision.

"We're hopeful that on appeal the court will look beyond the interests of large copyright owners such as RIAA and realize the case has implications far beyond the goal of enforcement of copyright," said Verizon Vice President Sarah Deutsch.

As it stands, the decision could allow stalkers and other criminals to use copyright claims to track down people they meet online, Deutsch said.

Over the past year, the RIAA has urged universities and businesses to crack down on students, employees and others who use their networks to download digital songs without permission. Earlier this month the trade group filed suit against four students it believes operated on-campus



peer-to-peer networks that enabled the practice.

An RIAA spokesman declined to say whether the Verizon customers would face similar legal action.

The RIAA represents the five largest recording companies: AOL Time Warner Inc.'s Warner Music; Vivendi Universal's Universal Music Group; Sony Corp.'s Sony Music; Bertelsmann AG's BMG Music Group; and EMI Group Plc.

### In the Hopper: New Privacy Laws

Privacy issues are seizing the legislative spotlight as Congress reconvenes next week to tackle bills ranging from reins on government surveillance to a national war on spam.

Internet privacy issues are likely to regain some attention now that the war in Iraq is waning, according to Lee Tien of the Electronic Frontier Foundation. The nonprofit civil liberties organization is itself keeping close tabs on several proposals.

For example, the Data Mining and Moratorium Act (S. 188) would put the brakes on the Bush administration's Total Information Awareness plan. The Defense Department is developing Total Information Awareness so federal law enforcement agencies can sift through people's Internet, medical, credit card, and travel records, regardless of whether they are charged with a crime.

Law enforcement agencies say they need the massive database to help identify suspicious patterns of behavior that could indicate terrorist activities. But some members of Congress and civil liberties activists have accused the Justice Department of trying to vastly expand the scope of its data gathering without legal justification.

The moratorium would require the Departments of Homeland Security and Defense to inform Congress of their database-sweeping activities. Democratic senators Russ Feingold, of Wisconsin and Jon Corzine of New Jersey, and Ron Wyden of Oregon proposed the bill.

"There is no evidence that data mining will, in fact, prevent terrorism," Feingold said in January. "And when one considers the potential for errors in data, for example, credit agencies that have data about John R. Smith on John D. Smith's credit report, the prospect of ensnaring many innocents is real."

The bill would continue to allow use of existing intelligence techniques such as computer searches of public information and of suspected criminals.

Dissent also continues among members of Congress and the public about a possible extension of the Patriot Act.

The Patriot Act of 2001, approved quickly after the September 11, 2001 terrorist attacks, broadened government surveillance powers. The act expires in 2005. But the Administration is already seeking to expand government surveillance powers and make them permanent in the Domestic Security Enhancement Act, nicknamed "Patriot II."

Though Patriot II is still in draft stage, leaks about its existence

infuriated civil rights and privacy groups. They fear government intrusion will erase personal privacy.

People should withhold judgment until a final version is introduced, says Viet Dinh, a U.S. assistant attorney general, who helped craft the Patriot Act.

"Patriot II is nothing but a leak," he says. "What we do is not a sea change in law but a shift in focus in our activities."

Concern about commercial intrusion on private PCs is the focus of the CAN-SPAM bill (S. 877), recently reintroduced for the third time in two years. Consumer groups and the Senate support the bill. If it becomes law, it would force e-marketers who violate the law to pay with fines and prison time.

Wyden and Senator Conrad Burns, a Montana Republican, introduced the legislation and say they are confident it will pass. Currently, there is no uniform way of dealing with spammers; each state sets its own rules.

"A crazy quilt of state rules is not going to get the job done," says Carol Guthrie, a Wyden spokesperson.

Some critics say the bill does not go far enough because it allows legitimate businesses to send unsolicited e-mail ads.

"Unintentionally, it could generate more spam rather than less," says John Mozena, executive director of the Coalition Against Unsolicited Commercial E-mail. The organization wants to eradicate all spam.

"We see the bill as a framework for regulating the spam industry and not getting rid of spam," Mozena says.

Spam isn't limited to desktop and laptop computers. Congress is also eyeing ways to curtail unsolicited e-mail sent to cell phones and personal digital devices.

Democratic Rep. Rush Holt of New Jersey addresses one of these problems with a bill (H.R. 122) to ban spam from wireless phones.

Rep. Heather Wilson of New Mexico, Republican, is also working on a bill that would create an e-mail opt-out list. The approach would be similar to one developed by the Federal Communications Commission that fights unwanted telemarketers.

#### Court Rejects Suit Against Web Song-Swappers

A federal court denied a request to shut down Internet song-swapping services Grokster and Morpheus on Friday, handing a stunning setback to the record labels and movie studios that have sought to curb unauthorized downloading of their works.

U.S. District Court Judge Stephen Wilson said the two services should not be shut down because they cannot control what is traded over their systems. Like a videocassette recorder, the software in question could be used for legitimate purposes as well as illicit ones, he said.

"It is undisputed that there are substantial noninfringing uses for (the) Defendants' software," wrote Wilson, who serves in Los Angeles.

A recording-industry trade group involved in the case said it would appeal.

Wilson's decision marks the first significant legal setback for the entertainment industry in its battle against the wildly popular "peer-to-peer" services that allow users to download movies, music and other files for free.

Federal courts have ordered earlier peer-to-peer services such as Napster to shut down, and courts have so far supported the industry's efforts to track down individual peer-to-peer users, as well.

But Wilson's ruling gives Grokster, Morpheus and other Napster successors some legal basis on which to operate. Just as the Supreme Court in 1984 said videocassette recorders should not be outlawed because they can be used for legitimate purposes, peer-to-peer services should not be shut down even though users are certainly trading copyrighted movies and music, he said.

Grokster President Wayne Rosso said he was surprised by the decision because it showed that the judge understood the technology. Peer-to-peer services could be used to enable the Pentagon to better share information, among other uses, he said, and the recording industry should try to work with such services rather than driving them out of business.

"Grokster doesn't and hasn't ever condoned copyright infringement," Rosso said. "We hope this sends a clear signal to the rights owners in this case to come to the table and sit down with us."

The Recording Industry Association of America said it was disappointed with the decision.

"Businesses that intentionally facilitate massive piracy should not be able to evade responsibility for their actions," RIAA CEO Hilary Rosen said in a statement.

Rosen highlighted two portions of the 34-page decision she found favorable: first, that individuals are accountable for copyright violations; and second, Wilson's statement that Grokster and Morpheus "may have intentionally structured their businesses to avoid secondary liability for copyright infringement, while benefiting financially from the illicit draw of their wares."

The Motion Picture Association of America, whose movie-studio members also filed suit, had no immediate comment.

The decision could also provide a shot in the arm to Kazaa, another popular peer-to-peer service involved in a separate legal battle with the entertainment industry. A Kazaa spokeswoman said the company's lawyers were still evaluating the decision.

A Morpheus investor, speaking to Reuters on the sidelines of a conference in Silicon Valley, said the decision would give his product a boost just as the company plans to roll out a new version.

"The timing of this couldn't be better," said Bill Kallman, a managing partner at Timberline Venture Partners, which has invested about \$4 million in Morpheus since 1999.

RIAA members include AOL Time Warner Inc.'s Warner Music; Vivendi Universal's Universal Music; Sony Corp.'s Sony Music; Bertelsmann AG's BMG Music Group; and EMI Group Plc.

MPAA members include Walt Disney Co.; Sony Pictures Entertainment Inc.; Metro-Goldwyn-Mayer Inc.; Paramount Pictures Corp.; News Corp Ltd.'s Twentieth Century Fox Film Corp.; Vivendi Universal's Universal Studios Inc.; and AOL Time Warner's Warner Bros.

### Antispam Registry Proposed

A coalition of e-mail service providers plans to develop registries intended to separate the legitimate bulk e-mailers from the spammers, in the latest in a series of recent antispam efforts.

The Email Service Provider Coalition (ESPC), formed by the Network Advertising Initiative, counts among its members 30 companies that provide outsourced e-mail services or Internet advertising services for a variety of companies, including DoubleClick and Advertising.com. The group on Wednesday announced the "blueprint" for a registry standard to launch in six to nine months.

It will focus on a certification process for companies sending out bulk e-mail. Vendors who pass the certification will get a sort of seal of approval.

The effort is intended as an alternative to current blacklists and spam filters that sometimes ban legitimate vendors, said Hans Peter Brondmo, senior vice president for strategy for Digital Impact, who chairs the ESPC technology working group.

High-volume e-mailers would get a score something like a credit rating, based on numbers of customer complaints, how many times people have to unsubscribe and other factors, Brondmo said. High-volume e-mailers will submit to performance ratings as a way to remain on the registry. The coalition hopes the registry will serve as a whitelist that ensures e-mail users of legitimate e-mailers.

The certification process for the registry, code-named Project Lumos, will require bulk e-mailers to reveal their identities. It proposes imposing a standard system for including all sender information in mail headers, and an authentication process that provides a secure proof of identity in the SMTP header.

The registry would say, "Here's who I am, I'll be that person tomorrow, I'm willing to adhere to certain best practices," Brondmo said.

Brondmo acknowledged that companies sending unsolicited commercial e-mail may not want to be part of the registry, but that's when blacklists and spam filters should be unleashed, he said.

"We believe a properly administered blacklist would likely be a part of the future," he added.

The problem with blacklists and spam filters right now is the confusion on how legitimate e-mailers can stay off those lists, or get off once they're

put on, Brondmo said. Project Lumos will bring "trust, transparency and accountability into the fabric of e-mail," he said.

The coalition's blueprint isn't intended to replace legislative efforts to counter spam, such as a bill re-introduced in the U.S. Senate earlier in April, Brondmo said. Leaders of at least one other antispam effort, launched by ActiveState, have promoted technology options over legislative efforts. Brondmo said he believes there's a place for several antispam efforts.

"I don't think it's one or the other," Brondmo said. "There's a technology dimension, there's a best-practices dimension, and there's a legislative dimension. They're all interconnected."

### E-Mail Marketers Sue Antispammers

A group of Florida e-mail marketers have fired another round - in court - in the rapidly escalating spam wars.

A Boca Raton trade association calling itself Emarketersamerica.org has filed suit against a dozen prominent antispam groups, seeking a jury trial and damages of \$75,000. The complaint alleges antispam groups have interfered with contracts between marketers and their Internet service providers by petitioning the ISPs to remove the marketers from their networks.

The group also claims that organizations Spamhaus and the Spam Prevention Early Warning System, the two primary defendants named in the suit, "sell products which block the electronic transmission and communications of American citizens and businesses."

The move follows several recent suits by ISPs against purported spammers. Congress is also considering legislation to crack down on spam.

"They're interfering with a contract between the members of our association, the tier-one providers, and the American people," says Mark Felstein, director of the trade group and the attorney who brought the suit. "I believe they're doing it for their own financial gain."

An examination of the Spamhaus and SPEWS Web sites failed to turn up any products for sale. Both sites maintain free lists of IP addresses allegedly used to send spam; these lists are used by ISPs and corporations to block unsolicited commercial e-mail.

Antispammers contacted for comment seemed more amused than concerned by the suit. Defendant Adam Brower, who provides hosting services for antispam activists, said his reaction is "disbelief, followed by hilarity, followed by the gratifying realization that I have been handed a nuclear weapon."

The suit will enable antispam groups to uncover details about how marketers operate, as part of their defense in the suit, Brower says.

Steve Linford, director of Spamhaus, says the complaint is merely a SLAPP (Strategic Lawsuit Against Public Participation) designed to intimidate antispam activists.

"All of the information and allegations contained it [are] false," Linford

says. "One of the individuals being sued is my brother who lives in Italy and doesn't even know what Spamhaus.org is."

According to Florida public records, Felstein incorporated Emarketersamerica.org on March 10, 2003. The group has no Web site and Felstein declines to name any of its members, saying simply they are "local Florida businesses that do electronic marketing."

Linford of Spamhaus claims the suit is being brought by a group of marketers known for sending e-mail advertisements for pornography and sexual aids.

"The spammers behind Emarketersamerica.org are the Boca Raton gang of Eddy Marin, Brendan Battles, and other Florida 'make-penis-fast' spammers," Linford says.

Felstein denies his clients send such ads or that they knowingly send unsolicited e-mail. However, he acknowledges representing Opt-In Services, a marketing firm that caters to the adult industry and employs Eddy Marin. Opt-In has previously brought legal action against antispam organizations.

Brower says the suit may ultimately help eradicate spam.

"I hope this case will eventually establish case law settling once and for all the right of providers to block unsolicited bulk e-mail," he says.

Linford says such lawsuits may indicate that marketers who rely on mass e-mail fear a legislative clampdown.

"The closer we get to the possibility of a U.S. antispam law, the more desperate spammers are becoming," Linford says.

#### Beware Mystery Fees for Web Services

When Geoff Sigg noticed a small charge from an unfamiliar company called Spoonfull.net on his company's SBC Communications phone bill last September, he looked a little closer. He discovered that for two months, he had paid \$4.31 including taxes to a company he'd never heard of.

He checked further and found that Spoonfull.net was charging to list his Connecticut jewelry store in its Internet directory. But he couldn't find the listing on Spoonfull.net's site, and he says he never ordered such a service.

Sigg soon learned he isn't alone. Other SBC customers have questioned similar charges. Sigg says a Spoonfull.net representative told him and others who complained that they had ordered the service either online or by telephone. Sigg protested, but the bills came for two more months before the charges finally stopped in December. Sigg says he received refunds for two months, then gave up the fight in frustration.

Florida-based Spoonfull.net is one of four Web services firms operated by the mother-son duo Mary Lou Farr and Willoughby Farr. One or more of the firms have been sued by state attorneys general in Illinois and North Carolina, and two are under investigation in Florida. The scrutiny involves allegations of a practice known as "cramming," in which unauthorized charges - often small and often overlooked amounts - are placed on

individual and company phone bills. (It's a cousin to "slamming," in which long-distance carriers are switched without a customer's consent).

Willoughby Farr flatly denies that Spoonfull.net or his other companies engage in cramming.

"We would never knowingly bill someone who never signed up for the service," says Willoughby Farr. Mary Lou Farr refused to comment for this report.

Farr says all of the entries in Spoonfull.net's directory are requested and paid for by companies that ask to be listed. He declined numerous requests to supply names of satisfied customers.

The companies run by the Farris include Voicenet, Spoonfull.net, Switched Access Communications, and Directory Service. Voicenet advertises a service that lets you call a toll-free number to retrieve e-mail by using text-to-speech technology. Spoonfull.net offers a Web directory and dial-up Internet access service. Switched Access markets long-distance telephone services. Directory Service offered national telephone directory assistance before it closed last year, Willoughby Farr says.

It is a common practice - and perfectly legal - to charge for Internet and telephone-related services via a home or business phone bill when a customer orders and receives products.

Most charges are placed through independent third parties called billing aggregators, which work with telephone companies to place charges on phone bills. When customers pay their bills, the money is routed back through the aggregator (which keeps a percentage) to the company providing the services.

Telephone companies have been required to work with aggregators since AT&T's breakup in 1984, says Allen Hile, assistant director with the Federal Trade Commission's marketing practices division.

Until recently, Spoonfull.net billed for its services through an aggregator called Integretel. On February 20, Integretel terminated its contracts with Spoonfull.net and Voicenet because of an "unacceptable level of consumer complaints and problems," says Ken Dawson, an Integretel spokesperson. Between Spoonfull.net and Voicenet, Integretel billed close to 100,000 customers on the Farr's behalf, Dawson says.

Some customers' March phone bills include lingering charges for Spoonfull.net and Voicenet while Integretel completes the billing cycle, he says. Integretel will issue credit to customers who complain that they were billed in error, Dawson adds.

Integretel quit billing for Directory Service a year ago, also because of "an excess number of complaints," Dawson says.

Willoughby Farr denies that the companies he runs engage in cramming practices. All four of the companies are now fighting such accusations in court.

In March, Illinois Attorney General Lisa Madigan accused both Farris, Voicenet, and Switched Access of violating Illinois consumer fraud laws. The state's complaint seeks a permanent injunction prohibiting the two companies from conducting their telecommunications business in Illinois or billing Illinois residents for unauthorized charges. It also seeks

restitution for consumers, plus civil penalties of \$50,000 or more.

The complaint alleges Voicenet has billed an unspecified number of Illinois residents between \$3.95 and \$6.95 plus taxes monthly for Voicenet service without their consent. The state's lawsuit claims that as of April 2002, Voicenet had caused 9068 charges to be placed on the phone bills of 2527 Illinois residents, to the tune of \$35,818. The complaint also notes that Integretel and local telephone carriers have issued only 504 refunds or credits to Illinois consumers, which amounts to 6.9 percent of the billings to Illinois customers that Integretel made on Voicenet's behalf. Spoonfull.net is not named in this complaint.

North Carolina is charging Directory Service and Switched Access with violating the state's Unfair and Deceptive Trade Practices Act. In May 2002, North Carolina Attorney General Roy Cooper alleged cramming on phone bills of North Carolina small businesses, citing 37 examples of customer complaints.

The state believes both firms billed consumers for \$1.99 in directory assistance calls they did not place, and \$5 to \$6 for collect calls they did not accept, says John Bason, a spokesperson for the North Carolina Department of Justice. The suit seeks refunds for consumers and unspecified civil penalties. The questioned charges appeared on phone bills from BellSouth, Sprint, Carolina Telephone & Telegraph, and Central Telephone, Bason says.

The Florida State Attorney General's office confirms it has begun a formal investigation into possible cramming by Spoonfull.net and Voicenet.

The Farris declined to comment on the various allegations. However, Willoughby Farr says Spoonfull.net and Voicenet have implemented new safeguards in recent months to ensure customers are aware of their billing relationship with the firms. Now, both companies send a service confirmation letter to new customers and e-mail a copy of the monthly invoice to Spoonfull.net customers, Farr says. However, when PCWorld.com signed up for Voicenet service in February, we did not receive a service confirmation letter or a bill.

PCWorld.com spoke with dozens of businesses identified as Spoonfull.net customers on its Web site, and found many were being charged for the firm's services without realizing it.

Melissa Darrow, treasurer of the Atlanta Women's Club, was angered to discover the organization may be a victim of cramming. The group has been charged \$4.07 for the past five months for "Internet access services" that Darrow says no one at her organization authorized or requested. "I've never heard of Spoonfull.net," she says.

A partial Web directory listing appears on Spoonfull.net with the name, address, and phone number of the Atlanta Women's Club. The text that accompanies the listing is gibberish that repeatedly reads: "If the inverting-core acceptor deflects the complex." This language is filler text generated by a plug-in to the Macromedia Dreamweaver site-design program, and it is found in dozens of Spoonfull.net directory listings.

"The audacity of these companies--to just stick these charges on my bill," says Paul Pettys, president of the Florida firm Pettys Design. Like all of the business owners willing to talk with PCWorld.com, he was amazed that Spoonfull.net had managed to charge the firm's phone bills without consent.



A representative of Massachusetts retirement home Pulaski Heights says the business was unaware it had been billed by Verizon on behalf of Voicenet since March 2002.

Evaluations of Internet access services offered by Spoonfull.net and the text-to-voice e-mail service from Voicenet raise further questions. Both services repeatedly failed to work over the past three months in which PCWorld.com tried to independently test them.

Since early November, a toll-free number listed on Voicenet's Web site for retrieving e-mail by phone has been mostly inoperable. One customer service phone number was functioning in mid-January, but a recorded message asked callers to leave a message in a voice mailbox that was too full to accept messages. A toll-free customer service number appeared to be disconnected.

After PCWorld.com asked to review Voicenet, the toll-free e-mail retrieval phone number became operational on January 17. Using a Voicenet house account, we successfully retrieved e-mail messages and heard them read them back using text-to-speech technology. However, when in the same timeframe PCWorld.com tried to test the service independently - as a consumer user rather than as a media reviewer with a house account - we failed to obtain service at all. In addition, Voicenet sent no confirmation for the independent order. The Voicenet e-mail retrieval number has offered a "no longer in service" message most of the time over the past few months.

Spoonfull.net's dial-up Internet access number has consistently not worked since PCWorld.com first tried testing it in early November. Repeated attempts to reach its service failed--we checked at least once each week for months. After PCWorld.com inquired, on January 17 Spoonfull.net posted a message stating dial-up service was "temporarily unavailable" and would be restored on January 2; however, it has remained inoperative when tested at least weekly since then.

Willoughby Farr blames network "stress" on company computer systems for technical problems with Voicenet and Spoonfull.net. When asked to explain patterns of people denying signing up for his service, he insists that someone at the home or business billed agreed to the service.

Spoonfull.net previously worked with billing aggregator ILD Telecommunications, which passed the Spoonfull.net charges to telephone companies. After three months, ILD "abruptly" terminated its relationship with Spoonfull.net and Voicenet, says Fred Lloyd, ILD senior vice president. Lloyd wouldn't comment on why. In November, Spoonfull.net and Voicenet began working with billing aggregator Integretel. That relationship also lasted only a few months.

Now that Integretel is no longer acting as a billing integrator for Spoonfull.net, the firm may need to find another way of getting the company's charges onto phone bills.

The other partner in this business scenario - the telephone company - walks a fine line. Many major telcos report a jump in customer complaints claiming phantom tack-on Internet services such as Web sites, e-mail boxes, and Net access. BellSouth and SBC say they've experienced a significant increase; Qwest and Verizon also report a spike in cramming complaints. Canadian telco Ontonagon County Telephone Company recently warned its customers of "epidemic" Net-related phone bill cramming.

"We are required by law to work with these third-party billing agents," says Beverly Levy, an SBC representative.

However, telephone companies can cut off the relationships under some circumstances. For example, SBC last year barred Spoonfull.net from billing its Connecticut customers, citing an unspecified but excessive number of complaints.

BellSouth has implemented guidelines hewn dealing with third-party aggregators, says Susan Scott, a BellSouth spokesperson. For charges to appear on BellSouth statements, billing firms must be able to provide on request a voice recording or written or electronic authorization from customers approving the charges, Scott says.

Each telephone company has different requirements for billing aggregators, says Jacqueline Mitchell, who chairs the Coalition to Ensure Responsible Billing, a trade association of billing aggregators. Mitchell says billing agents must adhere to telephone company requirements.

BellSouth's Scott says billing aggregators share the responsibility of making sure customers authorize the service fees, since it's the aggregator who deals with the Web service firms. But the problem of cramming remains.

"The bottom line? Always, always check your phone bill," says SBC's Levy.

Despite the phone companies' increased diligence, telcos say customers are responsible for reviewing their phone bills just as they review their credit card statements. Here are some tips to avoid being crammed:

- \* Check your monthly phone bill for mystery charges. Scrutinize the "Miscellaneous Charges and Credits" section for small obscure charges.
- \* Be wary of salespeople who call to offer a "free" service, such as a no-cost Web site or Internet yellow pages listing.
- \* Formally ask your phone company to ban third-party billing on your account. For example, BellSouth, SBC, and Verizon allow customers to block third-party billing unless expressly permitted.
- \* Carefully read all service offers, especially for phone and Internet services.
- \* You may want to check out an offer, but be judicious in calling the toll-free numbers for services you're not familiar with. Such calls can often give your phone number to the party you're calling, which may enable them to put unwanted charges onto your phone bill.
- \* Report suspected cramming to your phone company and to federal and state authorities as well as to consumer advocacy groups.

### Students Lose Web Use in Copyright Case

Penn State deprived 220 students of high-speed Internet connections in their dorms after it found they were sharing copyrighted material, the university said Monday.

"Basically, we received a complaint," said Penn State spokesman Tysen Kendig, who said he could not reveal who registered the complaint.

"Upon investigation, we found that the students had publicly listed copyright-infringing materials on their systems to other members of this network," he added.

Music and movie industry groups have urged universities to curb the sharing of copyrighted files and penalize violators.

Students, who often have fast Internet connections and little cash, are seen as the vanguard in a wave of downloading that the entertainment industry claims is cutting into its profits.

"I was kind of surprised at being caught," Jason Steiner, a freshman in aerospace engineering, told The Daily Collegian, Penn State's student newspaper. "I was sitting there online and all of a sudden I wasn't, with no idea why."

The sanctioned students all live in campus residence halls. They can still access their campus accounts from other computers.

The connections to their dorm rooms will be restored once the copyrighted materials have been removed, Kendig said.

On March 31, Penn State's executive vice president and provost, Rodney Erickson, sent an e-mail to more than 110,000 students, administrators, faculty and staff reminding them that the university prohibits sharing copyrighted material and warning that such sharing is against the law.

Earlier this month, 85 students at the Naval Academy in Annapolis, Md., were disciplined for using the school's network to trade copyrighted music and movies.

"Apple wants to make a natural connection between iPods and the service, a seamless connection between hardware and content," analyst Rob Enderle of Giga Information Group said.

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